

Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 NEA-10 ISO-00 AID-05 CEA-01 CIAE-00
COME-00 FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04
TRSE-00 LAB-04 SIL-01 OMB-01 /059 W
-----191649Z 096006 /43

R 191155Z JAN 77
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 792
INFO USEC BRUSSELS 623
USDA WASHDC
AMEMBASSY LONDON

C O N F I D E N T I A L CAIRO 1061

USDA FOR OGSM AND FAS/FCA/G&F; USEC AND LONDON FOR AGATTACHE

EO 11652: GDS
TAGS: EAGR, EAID, EG, EEC, IWC-2

REF STATE 3116,

1. AGATTACHE CAIRO WAS CONTACTED BY UNDERSEC EL NAHAL, MINSUPPLY ON JAN 19. EL NAHAL REPORTED THAT EGYPTIAN EMBASSY WASHINGTON HAD CONTACTED FAO COMMITTEE ON SURPLUS DISPOSAL (CSD) IN WASHINGTON RE GOE INTEREST IN HAVING UMR REDUCED FOR FY78 FROM PRESENT LEVEL OF 2.6 MILLION TONS. HE STATED THAT CSD (PRESUMABLY ARTHUR MEAD) HAD ADVISED THEM TO PROCEED AS OUTLINED BELOW.

2. GOE WILL FORMALLY NOTIFY USG AND EC THAT IT CONSIDERS PRESENT UMR UNJUSTIFIED BY RECENT COMMERCIAL TRADE IN WHEAT/ WHEAT FLOUR AND A HEAVY BURDEN ON ITS PRECARIOUS BALANCE OF PAYMENTS SITUATION. WITHOUT MENTIONING A PROPOSED LOWER FIGURE FOR THE UMR, GOE WILL FORMALLY NOTIFY BOTH THAT IT WILL BE REQUESTING A REDUCTION IN THE FY78 UMR WHEN THIS IS DISCUSSED DURING THE MONTHS AHEAD. GOE WILL NOT REQUEST
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A REDUCTION IN THE FY77 UMR ON THE ADVICE OF EMBASSY CAIRO BASED ON PARA 3 REFTTEL.

3. EL NAHAL AGAIN PLEADED FOR MISSION ASSISTANCE IN PREPARING ITS PRESENTATION AND SUPPORTING STATISTICS FOR MAKING STRONGEST POSSIBLE CASE FOR REDUCTION IN UMR. HE REITERATED HIS BELIEF THAT GOE SIMPLY LACKS NECESSARY ANALYTICAL ABILITY

TO DEVELOP AND PRESENT A STRONG CASE.

4. AGATTACHE INFORMED EL NAHAL THAT PROCEDURE RECOMMENDED TO GOE BY CSD WAS CONSISTENT WITH MISSION UNDERSTANDING. HE REITERATED MISSION WILLINGNESS TO ASSIST GOE IN PREPARING NECESSARY DOCUMENTATION AND PRESENTATION TO SUPPORT REDUCTION IN UMR FOR FY78 BUT STRONGLY EMPHASIZED ABSOLUTE NECESSITY FOR SUCH SUPPORT TO BE BEHIND THE SCENES AND IN NO CASE EVIDENT TO OUTSIDE PARTIES. HE FURTHER COMMENTED THAT INITIATIVE IN CONTACTING EC, CSD, AND OTHER RELEVANT PARTIES MUST COME COMPLETELY FROM GOE.

5. EL NAHL SAID HE COMPLETELY UNDERSTOOD NECESSITY FOR DISCREET NATURE OF USG ASSISTANCE IN PREPARING REQUEST FOR LOWER UMR, AND PROMISED TO INSURE THAT USG ROLE WOULD NOT BE REVEALED TO OTHER PARTIES UNDER ANY CIRCUMSTANCES.

6. COMMENT: IN OUR VIEW, IF GOE REQUEST FOR LOWER UMR IS TO BE EFFECTIVE, IT WILL BE NECESSARY FOR MISSION TO DRAFT BOTH PRESENTATION AND SUPPORTING STATISTICS, AND ALSO TO ADVISE GOE ON TACTICS, LIKELY RESPONSE FROM EC, AND HOW TO DEAL WITH LATTER, EL NAHAL SEEMS TO FEEL SENSE OF URGENCY IN GETTING ON WITH THIS AND MISSION SEES NO REASON WHY WE SHOULD DELAY. LATTER RUNS RISK OF GOE MAKING TACTICAL ERROR, AS IT DID IN AGREEING TO FY77 UMR OF 2.6 MILLION TONS, AND PREJUDICING ITS CHANCES FOR REDUCTION IN FY78 UMR.

7. IF WE ARE TO ASSIST GOE IN PREPARING EFFECTIVE REQUEST FOR LOWER UMR, MISSION CONTINUES TO BELIEVE IT IS DESIRABLE
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IF NOT NECESSARY FOR AGATTACHE CAIRO TO BRIEFLY VISIT BRUSSELS AND LONDON IN NEAR FUTURE TO CONSULT WITH USEC RE LIKELY EC RESPONSE TO GOE REQUEST AND TO OBTAIN NECESSARY STATISTICS FROM INTERNATIONAL WHEAT COUNCIL (IWC) LONDON. WE SEE NO REASON WHY PROPOSED TRIP WOULD CREATE APPEARANCE OF USG INITIATIVE IN SEEKING LOWER UMR FOR GOE. CONSULTATION IN BRUSSELS WOULD BE LIMITED TO USEC AND EC WOULD HAVE NO REASON TO BE AWARE OF TRIP OR PURPOSE. VISIT TO LONDON CAN EASILY BE EXPLAINED IN OTHER TERMS WHILE STILL OBTAINING DATA NEEDED FROM IWC. SINCE GOE REQUEST FOR REDUCTION IN UMR IS INITIALLY HANDLED BILATERALLY WITH SUPPLIERS, WE WITHDRAW PREVIOUS REQUEST FOR WASHINGTON CONSULTATION WITH CSD.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WHEAT, FOOD ASSISTANCE, AGRICULTURAL SURPLUSES
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CAIRO01061
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770020-0230
Format: TEL
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770138/aaaabhigh.tel
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TAGS: EAGR, EAID, EG, EEC, IWC-2
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Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/37f4a2d4-c288-dd11-92da-001cc4696bcc
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